

BIPARTISAN BEEF-PACKING INVESTIGATION RESOLUTION

Senator Warren and Senator Rounds

The [Federal Trade Commission Act of 1914](#) (FTC Act) authorizes either the President or [Congress](#) to direct the Federal Trade Commission (FTC) to investigate and report the facts relating to any alleged violations of antitrust law. In November 2021, President Biden used his authority under this law to call for [an oil-and-gas investigation](#). However, Congress has not used its power under the FTC Act to call for an investigation since the Great Depression era. In the 1920s, Congress directed the FTC to investigate specific companies like American Tobacco, as well as entire markets such as the flour industry. In light of inflation and the corporate practices crushing American consumers, workers, and small businesses, it's time for Congress to get back in the game and use every tool to promote competition.

Our nation's beef-packing industry appears rife with antitrust violations, and our ranchers, farmers, plant workers, and beef customers are all paying the price as a result. The top-four beef packers increased their market share from [32% to 85%](#) in the past three decades. At the same time, each year since 1980, an average of nearly [17,000 cattle ranchers](#) have gone out of business. The dominant beef packers are in turn wielding their market power over the ranchers: American ranchers today receive approximately [39 cents of every dollar](#) a consumer spends on beef, compared to the 60 cents they received 50 years ago, and between 2015 and 2018 the spread between the cost of wholesale beef and the price paid to ranchers [increased by 60%](#), while the top beef packers enjoyed record profits. Additionally, beef-packing companies have [paid millions of dollars](#) to settle beef price-fixing claims in recent years.

This bipartisan joint resolution would direct the FTC to report to Congress within one year on:

- the extent of anticompetitive practices and violations of antitrust law in the beef-packing industry, including price fixing, anticompetitive acquisitions, dominance of supply chains, and monopolization;
- the monetary and other harms of anticompetitive practices and violations of antitrust law in the beef-packing industry on consumers, ranchers, farmers, plant workers, and small businesses; and
- recommendations for legislation or other remedial actions.